

GFEBS 101 Brief

July 18, 2006



What is GFEBS?



General Fund Enterprise Business System (GFEBS) is a web-based enterprise resource planning solution that will enable the US Army to compile and share accurate, up-to-date resource management data across the Army. GFEBS will:

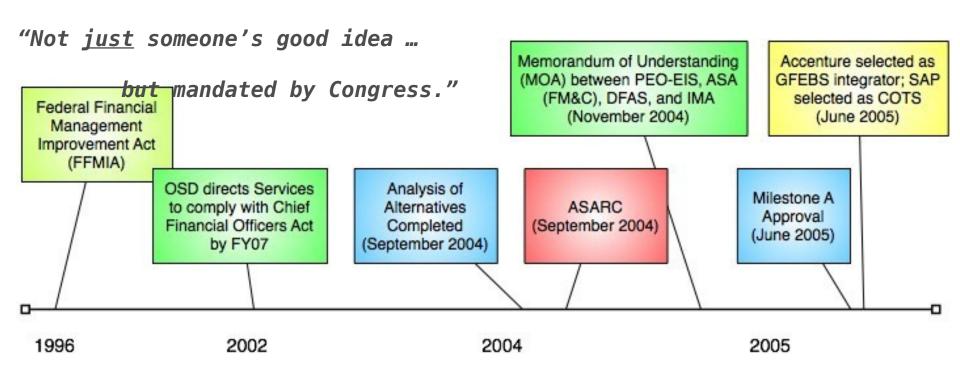
- » Leverage commercial, off-the-shelf business enterprise
 software
- » Supply standardized, real-time financial data and information
- » Empower leadership to make strategic business decisions that have a direct and positive impact on the warfighter

GFEBS is being built on SAP, a commercial-off-the-shelf (COTS) Enterprise Resource Planning (ERP) financial management system. GFEBS will be the Army's Financial Backbone.



<u>Why GFEBS?</u>





General Fund Enterprise Business System (GFEBS) will provide the Army and DoD with relevant, reliable, and timely financial information to lower the Army's cost of financial management, improve visibility of financial resources, allow better business decisions, and improve resource utilization.







<u>Enterprise Resource Planning</u> (ERP) is a commercial-offthe-shelf (COTS) business solution that leverages industry best practices to automate, integrate, and standardize processes and data across the enterprise.

GFEBS is an Army-wide ERP solution that:

- » integrates financial systems and functions
- » provides increased visibility over financial information
- » supports portfolio management of financial systems

Improved Information for Financial Decision Making.





ERP Concepts

- 1. Best Practices Software Embedded Business Processes
- 2. Process Orientation
- 3. Single Source of Data
- 4. Implementation Methodologies and Toolsets

Clean-Slate vs. Standard Software



- Reengineering, as some have conceptualized it, calls for "clean slate" process redesign prior to searching for technology solutions.
- A standard software solution is implemented in an opposite fashion:
 - » A set of "reference" process, data, and function models are purchased.
 - » Internal processes are aligned with the standard software solution reference processes.
 - » Through configuration analysis, many options exist for finding the most suitable variant of a reference process.
- Standard software-based Business Process Management (BPM)
 - » Anticipates alignment to reference business processes and the systems configuration that will build a process variant that is most suitable for the adopting organization.

The Antithesis of "Clean-Slate" Business Process Reengineering

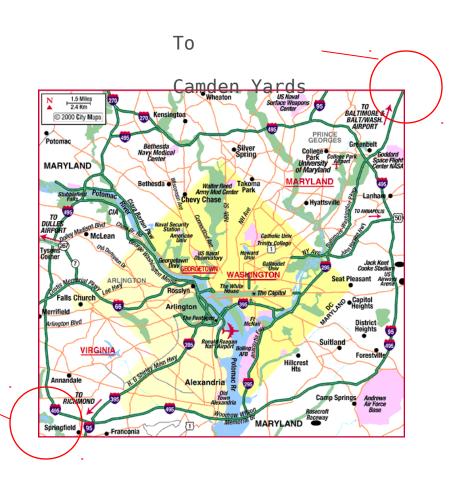


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ERP Implementation

- Pre-paved roads exist don't pave your own
- All routes are initially available — customer selects which one to take
- Once the path (blueprint) is defined, deviations are costly

From Springfield



Your Involvement in Picking the Right Path is Key!



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GFEBS Scope

WHO

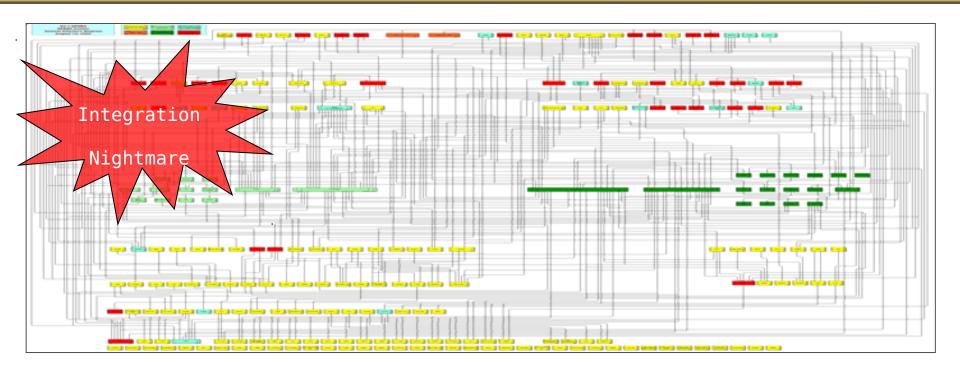
- » Leadership, Comptroller, and Financial/Resource Management Personnel from:
 - All Army Components
 - MACOMs
 - DFAS
 - HQDA
 - DoD

WHAT

- » Process and functional scope include:
 - General Ledger
 - Accounts Payable
 - Accounts Receivable
 - Funds Management
 - Cost Management
 - Financial Reporting
 - Property, Plant and Equipment



Current Environment GFEBS



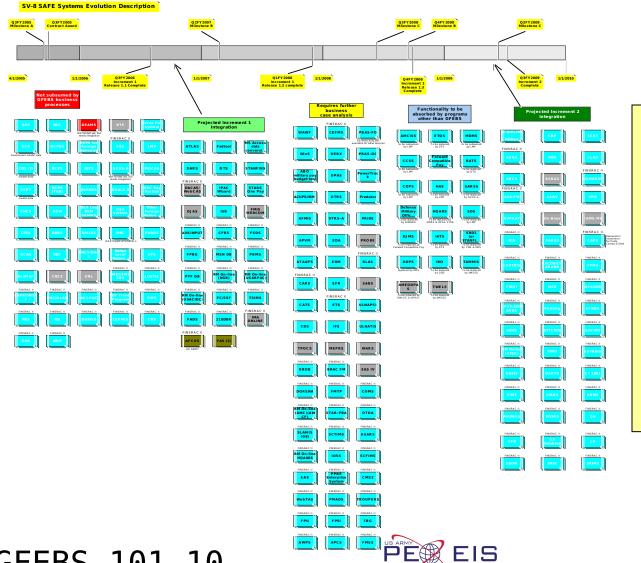
Deficiencies:

- » Lack of Visibility of Total Program Cost at All Levels
- » Limited visibility of Real Property (Fixed Asset Valuation)
- » No Linkage Between Budget and Performance Information
- » High Rework Rate for Financial Processes drives Costs



System Evolution Description — SV-8

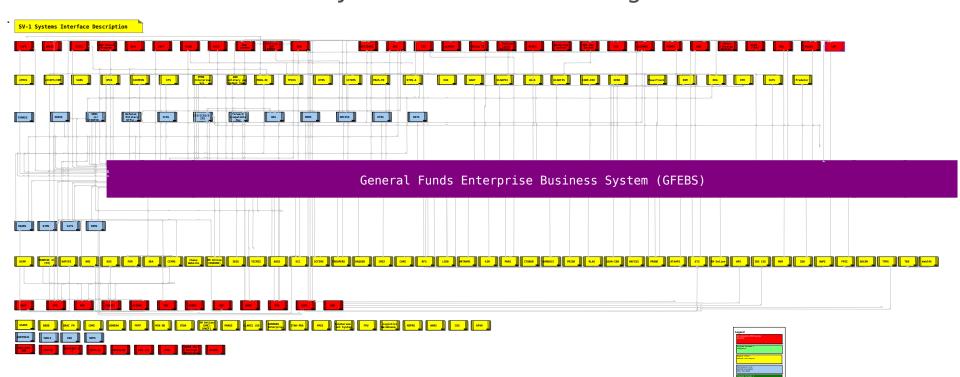




➤ Seventy-seven systems to be subsumed by GFEBS (29 in Increment 1 and 48 in Increment 2) ➤ Sixty systems will be the subject of further business case analysis

<u>Anticipated Outcome</u> GFEBS

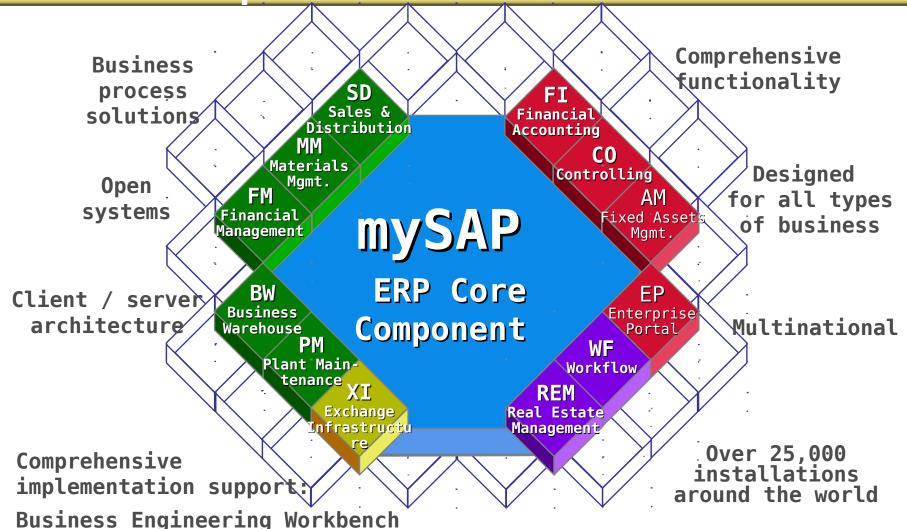
- Replace 80% of the current Army financial portfolio's overlapping and redundant functionality
- A common system that provides a single authoritative source of the Army's financial management information





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SAP Components









	GFEBS Term	<u>Definition</u>	<u>Government</u> <u>Term</u>
-	Company Code	Smallest organizational unit of Financial Accounting for which complete self-contained set of accounts can be drawn up for purposes of external reporting.	Always = ARMY (The Enterprise)
	Internal Order	Objects in the controlling module that collect actual and plan data at the transaction level.	Job Order Number
	Master Data	A single instance of information about a person, an entity or an object used throughout all relevant processes of an ERP.	None (There are classes of high- level data but not integrated or manageable in the context of and ERP)
	Plant	An organizational unit within logistics, serving to subdivide an enterprise according to production, procurement, maintenance, storage, and materials planning.	Factory, warehouse, real property location
F	EBS 101,13	A document posted in GFEBS when a processed in GFEBS once posted the purchase	



GFEBS Benefits

Organizations	Benefits
Army Components, MACOMs, Installations	 Cost Management/Cost Control Ability To Understand Value And Location Of Property, Plant, And Equipment Better Financial Decision Making And Better Support Of The Warfighter Elimination Of Non-value Added Activities (E.G., Reconciliations) And Reduced Time Spent On Transactions
DFAS	 Elimination Of Non-value Added Activities (E.G., Reconciliations) And Reduced Time Spent On Transactions More Time Available To Perform Financial Analysis Increased Customer (Army) Satisfaction Faster Processing, Lower Costs
HQDA	 Army-wide View Of Financial and Cost Data Better Financial Decision Making Auditability; FFMIA Compliance Elimination Of Redundant Legacy Systems Reduced Cost Of Finance
DoD	Auditability; FFMIA ComplianceElimination Of Redundant Legacy Systems
GFEBS 101	Reduced Cost OF E TOTAL REPRISE INTERPRISE I

GFEBS Supports Federated Approach



Acquisition

- GFEBS will be the foundation for all domains across the business enterprise.
- GFEBS leverages DoD and Army architectures to deliver a scalable and interoperable solution.

SAFE - Single Army Financial Enterprise SALE - Single Army Logistics Enterprise BEA - Business Enterprise Architecture

Logistics Strategic Planning Human Resources SAFE SALE Funds Receivable Management Managment General Ledger Payment Management Reporting Management Cost Management

Accounting and

Finance

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BEA

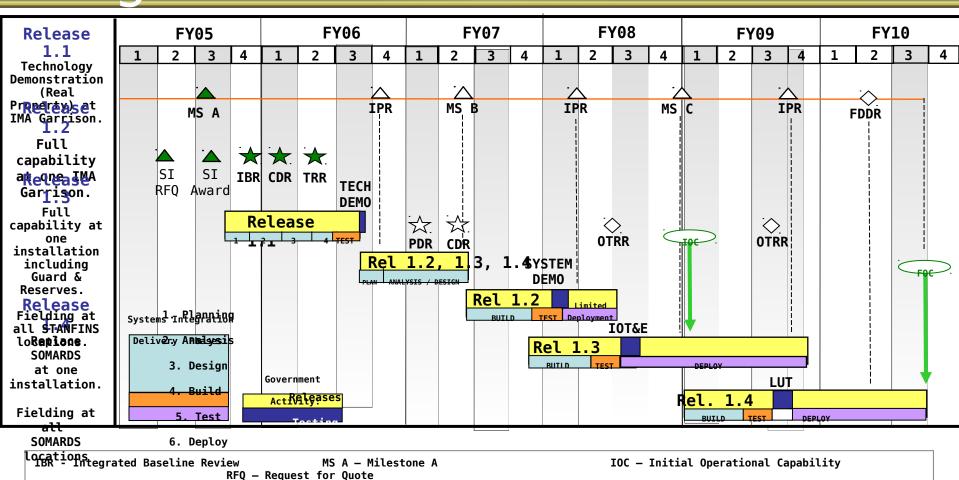


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FOC - Full Operational Capability

IOT&E - Initial Operational Test & Evaluation

Program Schedule



PED ENTERPRISE INFORMATION SYSTEMS

FDDR - Full-Rate Deployment Decision Review

MS B - Milestone B

SI - Systems Integration

PDR - Preliminary Design review

CDR - Critical Design Review MS C - Milestone C

LUT - Limited User Test
TRR - Test Readiness Review IPR - In Progress Review

<u>Near-Term Activitie</u> GFEBS X

PROJECT MANAGEMENT

PLAN

Refine Business Case and Metrics
Refine Sponsor Goals and
Expectations
Define High Level Requirements
Assess Current Capabilities
Define Solution Blueprint
Define Delivery Strategy
Confirm Project Scope
Transition Plan Phase

ANALYZE

Analyze Business Processes
Identify Application Requirements
Assess Process Gaps
Define RICEF Inventories
Analyze Integration Solution
Define Application Architecture
Define Technical Architecture
Assess Technical Architecture Gaps
Assess Current Performance
Analyze Communication Needs
Analyze User Roles
Define Solution Blueprint
Transition Analyze Phase

DESIGN

Design Configuration Plan Application Test Develop Prototype and Conduct Conference Room Pilot Design Data Conversion Design Integration Solution Select and Design Development Environment Select and Design Execution Environment Select and Design Operations Environment Design Roles, Jobs, Teams Design Training Design Performance Support Plan Communications Transition Design Phase

BUILD

TEST

User Training and Testing



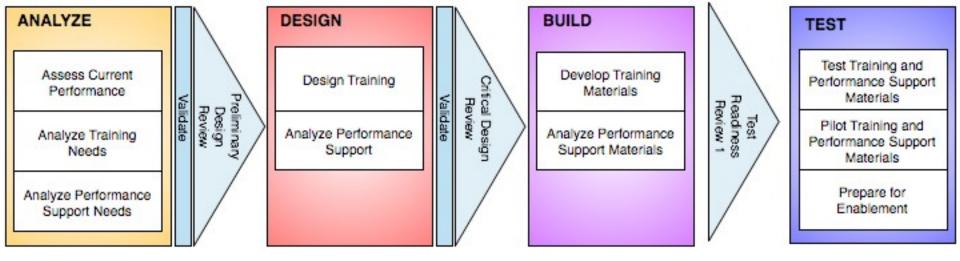
- Completed User Training 26 May
 - » 26 representatives from DFAS, Ft. Jackson, ABO, HQ
 IMA, NGB, USAR, USACE
 - » 15% of total scope of planned GFEBS implementation
 - » 100% of Real Property capability
- Completed User Testing 9 June
 - » Completed all 18 scenarios in 2 weeks
 - » Successfully coordinated between 2 locations; Ft.
 Jackson and DFAS Indianapolis
 - » No critical problems were identified



Training and Performance



■ In the Training and Performance workstream, the GFEBS Project Team develops the organization, educational, performance support, and communication materials needed to support the use of the GFEBS solution.



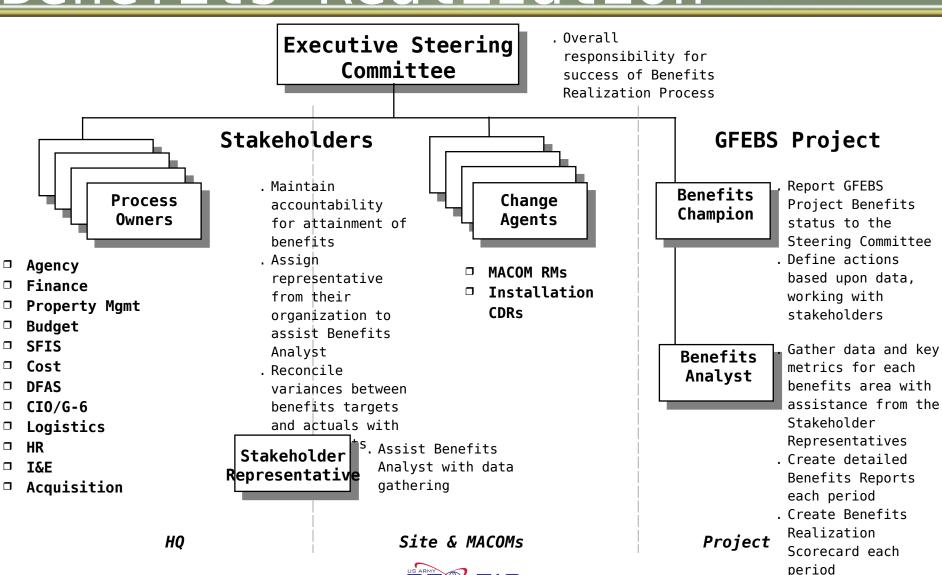
Responsibility for Success



Identify people whose success is tied to GFEBS.

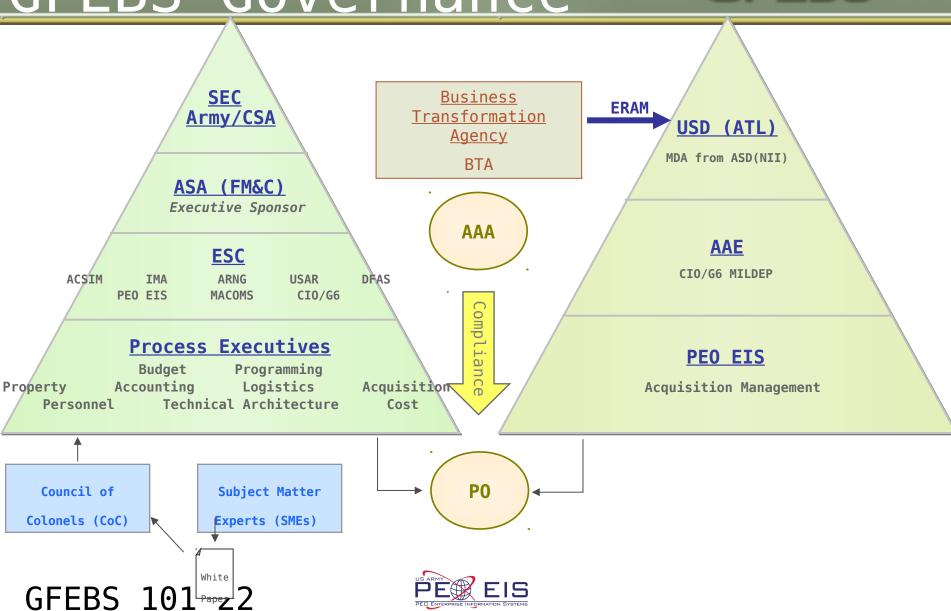
All Organizations	Responsibility for GFEBS Success	Release 1.1 Organizations
Army Components, MACOMS, Installations	 Participate In Blueprinting, Design/Build/Test Participate In Communications And Change Readiness Activities Perform Transition Activities (E.G., Data Cleansing) Attend Training Adopt Process Changes And Use The New System 	Fort JacksonMACOMs (IMA)ARNGUSARUSACE
DFAS	 Participate In Blueprinting, Design/Build/Test Participate In Communications And Change Readiness Activities Perform Transition Activities (E.G., Data Cleansing) Attend Training Adopt Process Changes And Use The New System 	DFAS IndianapolisRome, N.Y.
HQDA	 Communicate Vision For GFEBS (For release 1.1 there are 4 process owners, Accounting, Real Property, Budget, and Cost Management) 	- ASA (FM&C) - ACSIM
CEEDC 101	 Oversee GFEBS Project Provide Project Officer 	■ PEO-EIS
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Benefits Realization FEBS XX



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GFEBS Governance



<u>Conclusion</u>



GFEBS project office is focused on success

- » Ensure stakeholders share a common understanding
 of success
- » Define and adhere to sound, solid requirements
- » Establish and maintain high quality standards
- » Establish rigorous governance processes
- » Engage customers and users from the beginning
- » Review and incorporate best practices and lessons learned
- » Measure and report frequently

It's more than just time and budget.



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A Collaborative Team of PEO-EIS and ASA (FM&C).

